operating services due to non-availability of operational aircraft.

(b) and (c) A proposal to review the policy on domestic air transport services is under consideration of the Government.

Health Insurance Scheme For Senior Citizens

1881. DR. Y. LAKSHMI PRASAD:
DR. MOHAN BABU:
PROF. RAM KAPSE:

Will the Minister of HEALTH AND FAMILY WELFARE CIVIL AVIATION be pleased to state;

(a) whether Government propose to introduce a health insurance scheme for senior citizens to anable them to enjoy alife of fulfilment:

(b) if so, the details thereof; and

(c) if not, the reasons for not helping them grow old gracefully?

THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI SALEEM IQBAL SHERVANI) (a) to (c) Three Medical Insurance Schemes are already under implementation under the umbrella of the General Insurance Corporation as follows:

(i) *Mediclaim. Insurance Policy* is available for persons between the ages 5 and 75 years and the cover provides for reimbursement of medical expenses incurred towards hospitalisation/domicilary hospitalisation.

(ii) *Jan Arogya:* Primarily meant for largar segment of population who can not afford the high cost of medical treatment with coverage upto 70 years of age.

(iii) *Bhavishya Arogya:* Under the scheme a person pays a single premium or nominal annual premium during his earning years and get reimbursement of hospitalisation and domiciliary hospitalisation expenses from a future selected age between 55 and 60 years.

Guidelines for Licences to New District level Banks

1882. SHRI K. RAHMAN KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have issued guidelines for giving licence to new district level banks as announced by him while presenting 1996-97 budget;

(b) if so, the conditions laid down for licensing such banks; and

(c) how many applications have been received so far, details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM (a) and (b) Reserve Bank of india (RBI) have issued guidelines for setting up of Local Area Banks in August 1996, to cater to the credit needs of the local people and to provide efficient and competitive financial intermedication services in their area of operation (which shall be a maximum of three geographically contiguous districts). The guidelines, *inter alia,* provide that such a bank shall be registered as a public limited company under the Companies Act, 1956 and would be licensed under the Banking Regulation Act, 1949. Further, it would be governed by the provisions of the Reserve Bank of India Act, 1934 an other relevant statutes. The minimum paid up capital for such a bank shall be Rs. 5 crore and the promoters contribution at least be Rs. 2 crore. Proposals having diversified share holdings will be preferred. The promoters of the bank may comprise individuals, corporate entities, trusts, and societies. The bank shall be subject to prudential norms and other policies laid down by RBI form time to time.

(c) RBI have reported that they have received 44 applications seeking licence for setting up of local area banks as on